

House Judiciary Committee Amendment # 2

Amendment No. 3 to HB0649

**Buck
Signature of Sponsor**

AMEND Senate Bill No. 1493

House Bill No. 649*

FILED
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

By adding the following immediately before the effective date section:

SECTION___. Tennessee Code Annotated, Title 16, Chapter 3, is amended by adding the following as a new part 10:

Section 16-3-1001.

(a)

(1) There is hereby established within the general fund a special revolving loan fund to be known as the “automated court system hardware replacement loan fund” referred to in this part as the “fund”. Such fund is established for the purpose of providing interest-free funding for the replacement of computer hardware associated with automated court systems that have been implemented by courts of the state.

(2) The department of finance and administration shall administer the fund and shall adopt rules and regulations for such administration.

(3) All interest and earnings of the fund shall remain a part of the fund.

(4) No part of the fund shall revert to the general fund at the end of any fiscal year, but shall remain a part of the fund available for expenditure in accordance with the provisions of this part.

(5) The department shall deposit in the fund all receipts from the repayment of loans made pursuant to this part.

(6) Nothing in this part shall be construed to exclude or prevent future appropriations to the fund.

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(b) All counties in which any court has implemented the Tennessee Court Information System (TnCIS), or a court automation system determined by the Administrative Office of the Courts to be functionally equivalent, are eligible to receive loans from the fund to purchase necessary computer hardware components in accordance with a hardware replacement schedule approved and monitored by the administrative office of the courts. No interest expense shall be passed on to the county unless the state issues bonds to capitalize all or a portion of the fund. In such case, a reasonable cost of issuance may be passed on to the loan recipients.

(c) When a county requests the department to have the state finance the acquisition of replacement hardware for an automated court system, the affected clerk(s), the governing body of the county, and the department shall enter into an agreement to be known as the “automated court system hardware replacement loan agreement” referred to in this part as the “agreement.” The comptroller of the treasury must approve any deviations from the requirements outlined in the agreement. The agreement is subject to the following requirements:

(1) The original term of the loan shall be for a period of four (4) years. Annual installment payments to the fund shall begin the same year as funds are borrowed. The department shall establish an annual payment due date of June 1. Notice of the loan agreement, including the annual payment schedule, shall be sent to the comptroller of the treasury.

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(2) All computer hardware purchased by a county under the agreement shall be acquired from current state contracts.

(3) The agreement may contain any other reasonable provisions deemed necessary and desirable by the department, the administrative office of the courts, the comptroller of the treasury, the clerk for whom the replacement hardware is being purchased, or the governing body of the county.

(4) If a county fails or neglects to pay any of the annual payments prescribed, the commissioner of finance and administration shall retain the sum necessary for such payment out of any state funds distributable to the county in which the state court resides. No statutory requirement that any distributable, state collected, locally shared funds shall be used exclusively for a designated purpose shall be construed as preventing the commissioner from withholding such funds.

(5) The state will maintain a lien on any computer hardware purchased with monies borrowed from the fund until the terms and conditions of the agreement have been satisfied.